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PM/DTCC - BLUE LANTERN COORDINATOR
US SOUTHCOM FOR POLAD

E.O. 12958: N/A
TAGS: [ETTC](#) [KOMC](#) [AR](#)
SUBJECT: BLUE LANTERN: BONA FIDES VERIFICATION OF BUCELLO Y
ASOCIADOS IN ARGENTINA, CASE K-2596

REF: STATE 92825

¶1. (SBU) Per Reftel request, post carried out a site visit on U.S. registered broker Bucello y Asociados SRL ("Bucello"), based in Buenos Aires, Argentina, on November 2 2009. It is post's opinion that the company will be a responsible broker of United States Munitions List items.

¶2. (SBU) Answers to Reftel questions:

-- Confirm that this entity is in the business of brokering defense articles and defense services at the location(s) indicated under its legal name(s);

Yes. Econoff visited the location and met with company owners Horacio and Renato Bucello. The company has numerous weapons on site, but it appears that the majority of them are old weapons which are for display only. The store has a museum-like ambiance.

-- Determine whether this entity is authorized to conduct such activities in its home country, whether the entity has any criminal or other derogatory background, and whether Post has any information on its brokering or arms export activities that may involve proscribed entities such as countries under U.S. or international sanctions, or designated state sponsors of terrorism;

Bucello is authorized to conduct brokerage activities in Argentina. Bucello is also authorized by the RENAR (Registro Nacional de Armas, or National Weapons Registry, roughly ATF-equivalent) as an importer/exporter and wholesaler/retailer of goods which fall under RENAR's authority. Post has no information to suggest criminal activity or about activities involving proscribed entities.

-- Will the brokering firm be handling or storing USML items on behalf of its clients? If so, does it have secure facilities and proper accounting and security procedures for handling sensitive USML items?

Sometimes. When dealing with government clients, Bucello seeks to arrange imports so that the client is the importer of record, and therefore the client will receive the shipment. In those cases, Bucello never has possession of the USML items. However, Bucello sometimes takes possession of smaller shipments, or shipments for private clients. Bucello's security seemed adequate, with multiple secure doors, alarms, and security cameras.

-- When was the company established and who are its

principals? How many employees?

Bucello was established in 1982 by Horacio Bucello. Upon retirement from his earlier career, Horacio's father Renato joined the business as a minority partner. Besides the two Bucellos, the company currently has four employees. According to Horacio Bucello, three are family members and the fourth has been with the company for 20 years.

-- What is the nature of its business and what other types of items does it handle?

The company sells security goods of many kinds. In addition to handguns and ammunition, they are the licensed Taser representative in Argentina. (Horacio Bucello said they were negotiating a contact for Tasers, as well as one for 1000 shotguns, with the new Buenos Aires Metropolitan police force.) They also manufacture ballistic vests - Horacio Bucello expressed disappointment that DuPont dropped them as a client, and they have since been sourcing their material from Europe. The company also sells non-lethal security items, such as camera systems and pepper spray.

-- What types of organizations are among its typical clients and in what countries are they located?

Bucello's clients are primarily police agencies, especially from the various provinces. It has some clients among federal agencies, such as the Servicio Penitenciario Federal (Federal Penitentiary Service), but relatively few. He also has some private clients, though their purchases are more likely to be items in the security line of his products. Horacio Bucello said that all of his clients are resident in

Argentina.

-- Does the company understand the restrictions on USML items, especially the prohibition against unauthorized re-transfers and re-exports?

Horacio Bucello stated that he understood these restrictions, but added that he had never exported any such products. He said that doing so would require him to obtain appropriate licenses in the other countries, and as difficult as it was to obtain permission in Argentina, he didn't want to go through the process elsewhere.

MARTINEZ